

**UNITED STATES DISTRICT COURT
FOR THE
NORTHERN DISTRICT OF OHIO
Eastern Division**

HODELL-NATCO INDUSTRIES, INC.)	CASE NO. 1:08 CV 2755
)	
Plaintiff,)	JUDGE: LESLEY WELLS
)	
v.)	MAGISTRATE JUDGE: GREG WHITE
)	
SAP AMERICA, INC., et al.)	Answer of Plaintiff Hodell-Natco Industries, Inc.
)	to the Counterclaim of Defendant LSI-Lowery
Defendants.)	Systems, Inc. and The IBIS Group, Inc.

Plaintiff/Counterclaim Defendant Hodell-Natco Industries, Inc. (“Hodell-Natco”), by and through undersigned counsel, submits the following Answer to the Counterclaim filed by Defendant/Counterclaimant Plaintiff LSI-Lowery Systems, Inc. and the IBIS Group, Inc. (“Counterclaimants”):

1. Hodell-Natco denies the allegations contained within Paragraph 1 of the Counterclaim and states that Counterclaimants are owed no money for any work or services performed on Hodell-Natco’s behalf, or any expenses associated therewith.

AFFIRMATIVE DEFENSES

1. The Counterclaim fails to state a claim upon which relief can be granted.
2. The Counterclaim is barred under the theory of estoppel, laches, release and waiver.
3. Defendants’ Counterclaims are barred under the theory of accord and satisfaction.
4. The Counterclaim is barred by Defendants’ own material breaches of their contractual obligations.
5. The Counterclaim is barred by the doctrine of unclean hands.
6. The Counterclaim is barred by Defendants’ fraudulent conduct.

7. Defendants' Counterclaims are barred by the doctrine of intervening and/or superseding cause.

8. Hodell-Natco is entitled to a set-off against Defendants' alleged damages.

9. Defendants failed to mitigate and/or minimize their alleged damages.

10. Hodell-Natco's nonperformance of the contract with Defendants, if any, is excused by Defendants' breach of the contract.

11. Hodell-Natco reserves the right to add additional affirmative matters and defenses as they become known during the pendency of this litigation.

WHEREFORE, Counterclaim Defendant Hodell-Natco Industries, Inc. requests that the Counterclaim be dismissed with prejudice, with all costs taxed to the Counterclaimants.

Respectfully submitted,

/s/ P. Wesley Lambert

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JURY DEMAND

Hodell-Natco hereby demands trial of Defendants' Counterclaims in this matter with the maximum number of jurors allowed by law.

/s/ P. Wesley Lambert

P. Wesley Lambert (0076961)